

Committee on Finance, Revenue, and Bonding
S.B. 29 “AN ACT CONCERNING THE EARNED INCOME TAX CREDIT”

3/2/22

Submitted by

Alexis Dwyer
Parent Leader, Catholic Charities

Senator Fonfara, Representative Scanlon, and members of the Committee, thank you for the opportunity to submit testimony in support of SB 29, “An Act Concerning the Earned Income Tax Credit.” My name is Alexis Dwyer, and I serve as a Parent Leader and Council Representative at the Asylum Hill Family Center, a branch of Catholic Charities. I am writing in favor of the proposed measure increasing the Connecticut Earned Income Tax Credit (EITC) to 41.5% starting January 1, 2022.

The 2020 Connecticut ALICE Report revealed that nearly 40% of households across our state were living paycheck to paycheck *even before the onset of the COVID-19 pandemic*. Despite working hard at the jobs available to them, these households struggle to afford life’s most necessities such as housing, food, childcare, transportation, technology, and healthcare.

I see the challenges people and families face every day as a Family Center Council Member and a single mom of two kids living in the underserved community of Asylum Hill, located in the city of Hartford. Permanently increasing the CT EITC rate to 41.5% from 30% will provide, on average, \$925 of needed income for over 200,000 struggling CT households; including my household. These funds can assist with expenses such as rent, utility bills and groceries, to name a few.

Statistics show a high number of minority families live below the ALICE threshold. There is an increasingly high number of families that are just a paycheck away from homelessness and hunger; living paycheck to paycheck. Majority of these “working poor” families are unable to access state benefits and other assistance due to their income, in most cases making a few dollars over the max limit. These additional funds can positively impact these families in times of need.

The Governor’s temporary increase of the EITC from 30.5% to 41.5% in December 2021 was a practical way to support working households. Permanently increasing the rate to 41.5% is a doable win for people working hard in CT, and barely getting by.

I fully support SB 29 measure that seeks to increase the Connecticut Earned Income Tax Credit to 41.5% of the federal credit.

Thank you for the opportunity to submit my testimony in support of this important bill.

Thank you,

Alexis Dwyer
Parent Leader, Catholic Charities